

DEPARTMENT OF FINANCIAL INSTITUTIONS
MINUTES OF MEETING
NOVEMBER 12, 1992 9:00 AM EST

The Members of the Department of Financial Institutions met at 9:00 a.m., EST, at 402 West Washington Street, Room W-066, Indianapolis, Indiana, on Thursday, November 12, 1992. Members present were Messrs. W. Paul Wolf, presiding, Norman Lowery, Eugene Deutsch, Daniel Leitch, and Mrs. Dee Godme. Also present from the Department were Director Charles W. Phillips, John E. Simmonds, Deputy Director; James M. Cooper, Administrative Assistant, Mergers and Acquisitions; Randall L. Rowe, Bank Supervisor; Eric Roberts, Bank Analyst; Mark A. Powell, Supervisor, Credit Unions; Robert E. Haler, Supervisor, Consumer Credit Division, Maurice V. Beavers, Field Supervisor, Consumer Credit Division; John R. Thompson, Consumer Credit Division; and Janice L. Davis, Executive Secretary. Messrs. Hasten and Grant were absent.

I. PUBLIC SESSION

- A.) Attendance
- B.) Date of next meeting: December 10, 1992, at **9:00 a.m. EST.**
- C.) A motion was made for approval of the minutes of the meeting held October 8, 1992, by Mr. Deutsch, and seconded by Mr. Leitch. The minutes were unanimously approved.

DIVISION OF BANKS AND TRUST COMPANIES

- 1. First Financial Bancorp., Hamilton, Butler County, Ohio applied to the Members of the Department of Financial Institutions for prior approval to acquire control of Jennings Union Bankcorp, North Vernon, Jennings County, Indiana, and thereby indirectly acquire control of its only subsidiary, Union Bank and Trust Company, North Vernon, Jennings County, Indiana. The acquisition will be accomplished through a merger of Jennings Union Bankcorp with and into First Financial Bancorp. The application was received by the Department on September 4, 1992, and accepted for processing on September 21, 1992. The 40-day inactive period expired on October 30, 1992, and Members action is required by December 15, 1992. Notice that the application was accepted for processing by the Department was published in Butler County, Ohio, and Jennings County, Indiana, on October 1, 1992. A motion for approval was made by Mr. Deutsch and seconded by Mr. Leitch. The acquisition was unanimously approved.

DIVISION OF CREDIT UNIONS

- 1. A request for approval of the proposed merger of Wayne Employees Credit Union, Richmond, Wayne County, Indiana, into Perfect Circle Credit Union, Hagerstown, Wayne County, Indiana. A motion for approval was made by Mrs. Godme and seconded by Mr. Lowery. The merger was unanimously approved.
- 2. A request for approval of a proposed relocation of the main office of State Merit Service Credit Union from 200 S. Meridian Street, Indianapolis, Indiana, to 10 N. Senate Avenue, Indianapolis, Indiana. A motion for approval was made by Mrs. Godme and seconded by Mr. Deutsch. The relocation was unanimously approved.

DIVISION OF CONSUMER CREDIT

- 1. Mr. Howard Cohen of Locke, Reynolds, Boyd & Weisell representing Huntington National Bank of Indiana, requested that the Department of Financial Institutions make a determination as to the benefit to buyers and debtors of a debt cancellation charge and the reasonableness of that charge in

relation to the benefits. Sections 2-202(1)(c) and 3-202(1)(e) of the Code were recently amended to permit sellers and lenders to impose additional charges on sale and loan transactions under the Code that are not otherwise specified, after determination by the Department that the charges would be of benefit to the buyer and is reasonable in relation to the benefits. Huntington National Bank of Indiana makes this request as both a lender, and in its capacity as a "seller" under the Code when it acquires retail installment contracts containing the charges. Following Mr. Cohen's presentation to the Members, Mr. Deutsch moved that this item be deferred to the next Members Meeting, when more information is obtained from the Federal Reserve and the Indiana Department of Insurance. Mr. Lowery seconded the motion, and it was unanimously approved.

DIRECTOR'S COMMENTS AND REQUESTS

- A.) Valley American Bank & Trust Company, South Bend, St. Joseph County, notified the Department on September 23, 1992, that they intend to close the Playland Branch located at 1847 Lincolnway East, South Bend, St. Joseph County, Indiana, on December 31, 1992, at 5:30 P.M. This item was for informational purposes only.
- B.) Star Financial Bank, New Castle, Henry County, notified the Department on August 28, 1992, that they intend to close the Daleville Branch located 8029 South Walnut, Daleville, Delaware County, Indiana, on November 27, 1992, at 6:00 P.M. This item was for informational purposes only.
- C.) The Director advised the Members of actions taken pursuant to delegated authority, which were as follows:

DIVISION OF BANKS & TRUST COMPANIES

- 1.) Grabill Bank, Grabill, Allen County, has requested permission to establish a branch banking office which will be known as "The Leo Office" and will be located at 13839 Amstutz Road, Leo, Allen County, Indiana. The request was approved by the Director under delegated authority on October 8, 1992.
- 2.) Jackson County Bank, Seymour, Jackson County, requested permission to establish a branch banking office which will be located at 1181 W. Tipton Street, Seymour, Jackson County, Indiana. The request was approved by the Director under delegated authority on October 8, 1992.
- 3.) First Farmers State Bank, Sullivan, Sullivan County, requested permission to establish a branch banking office which will be located at R.R. #3, Box 80, Carlisle, Sullivan County, Indiana. The request was approved by the Director under delegated authority on October 22, 1992.
- 4.) Irwin Union Bank and Trust Company, Columbus, Bartholomew County, has requested permission to establish a branch banking office which will be located at 29 Public Square, Shelbyville, Shelby County, Indiana. The request was approved by the Director under delegated authority on October 22, 1992.
- 5.) Mutual Building and Loan Association, Franklin, Johnson County, requested permission to establish a branch banking office located at the corner of State Road 135 and State Road 252, Trafalgar, Johnson County, Indiana. The request was approved by the Director under delegated authority on October 22, 1992.
- 6.) Star Financial Bank, Columbia City, Whitley County, requested permission to decrease the amount of the reserve attributed to two sub-investment quality bonds held by the institutions. The request was approved by the Director under delegated authority on October 29, 1992.
- 7.) Citizens Banking Company, Anderson, Madison County, requested permission to establish a branch banking office which will be located at 2825 Nichol

Avenue, Anderson, Madison County, Indiana. The request was approved by the Director under delegated authority on October 29, 1992.

- 8.) Citizens Banking Company, Anderson, Madison County, requested permission to establish a branch banking office which will be located at 100 West 11th Street, Anderson, Madison County, Indiana. The request was approved by the Director under delegated authority on October 29, 1992.
- 9.) Citizens Banking Company, Anderson, Madison County, requested permission to establish a branch banking office which will be located at 325 Hartman Road, Anderson, Madison County, Indiana. The request was approved by the Director under delegated authority on October 29, 1992.
- 10.) Citizens Banking Company, Anderson, Madison County, requested permission to establish a branch banking office which will be located at 1724 East 53rd Street, Anderson, Madison County, Indiana. The request was approved by the Director under delegated authority on October 29, 1992.
- 11.) Citizens Banking Company, Anderson, Madison County, requested permission to establish a branch banking office which will be located at 100 Federal Avenue, Chesterfield, Madison County, Indiana. The request was approved by the Director under delegated authority on October 29, 1992.

The bank proposed to acquire the existing Madison County branch offices of Colonial Central Savings Bank, F.S.B., Mount Clemens, Michigan. The transaction is intended to qualify for treatment as an Oakar II transaction and is authorized pursuant to IC 28-2-13-20.5. Although the transaction is structured as a purchase of assets and assumption of liabilities, these applications are considered to be DeNovo branch establishments due to the fact that Citizens Banking Company is not acquiring substantially all of the assets of Colonial Central Savings Bank. The bank intends to close the actual branch facilities which they are acquiring as soon as it is practical. The bank has existing branch locations near the sites of the new branches and intends to consolidate them into the bank's existing branch system.

CREDIT UNION DIVISION

- 1.) Jet Credit Union, Indianapolis, Marion County, requested approval of a Petition for Approval of a Proposed Amendment To the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

K & O Corporation - Indianapolis- 11 members
Med Cor/Medical Billing - Indianapolis - 64 members
Floating Docks - Indianapolis - 9 members
Dugdale Beef Co., Inc. - Indianapolis - 21 members
Carson Ford - Brownsburg - 30 members
Ideal Water Treatment, Inc. - Indianapolis - 20 members
Alderman Ford - Indianapolis - 68 members
Colonial Baking Co. - Muncie - 250 members
Gradex Excavating Co. - Indianapolis - 100 members
Kelly Lawn Service - Indianapolis - 10 members
Steamatic of Indianapolis - Indianapolis - 10 members
Empico Development - Carmel - 15 members
Jim O'Banion Floor Covering - Indianapolis - 5 members
Sonitrol of Evansville - 26 members
W. Mark Standring, DDS - Evansville - 15 members
Nora Television Repair - Indianapolis - 6 members
Nelson Imprints - Indianapolis - 8 members
Bud Wolf Chevrolet - Indianapolis - 64 members
Mozzi's Pizza - Greenfield - 75 members
J.M. McCormick Co., Inc. - Indianapolis - 10 members
Dyetching Co., Inc. - Indianapolis - 7 members
Buck, Berry, Landeau & Breunig Prof. Assoc. - Indianapolis - 25 members
Norm Vogel & Son, Inc. - Indianapolis - 9 members
Dialysis Institute of Indiana - Indianapolis - 123 members

R & R Ice Cream, Inc. - Indianapolis - 8 members
 Tim Wilson Chevrolet - Martinsville - 33 members
 Kenny Kent Chevrolet - Evansville - 70 members
 Cramar Warehouse, Inc. - Indianapolis - 25 members
 Decatur Township Volunteer Fire Dept., Inc. - West Newton - 92 members
 Combustion Systems, Inc. - Camby - 17 members
 Controlled Temperature Transit, Inc. - Indianapolis - 95 members
 Burt Nees Tire Co. - Indianapolis - 10 members
 Adwell's Artwork Co. - Indianapolis - 2 members
 Child Care Center, Inc. - Mooresville - 43 members
 J & B Construction - Indianapolis - 10 members
 Superior Video - Indianapolis - 10 members
 Cork-N-Bottle - Indianapolis - 5 members
 Larry Bird Ford - Martinsville - 33 members
 Kenny Kent Toyota-Mitsubishi - Evansville - 70 members
 Fay Construction & Design - Pittsboro - 3 members
 Headways Styling Salon - Brownsburg - 9 members
 Green Street Station - Brownsburg - 16 members
 Pearl, Inc. - Speedway - 5 members
 AEL Defense Corp. - Indianapolis - 3 members
 Sales & Service Analysis - Indianapolis - 60 members
 Meador Books of Indianapolis - Brownsburg - 2 members
 D4 Copies - Danville - 2 members
 General Home Repair - Indianapolis - 20 members
 John Baker Excavating - Brownsburg - 2 members
 Ron Stone Realty, Inc. - Plainfield - 1 member
 Sports Spot - Indianapolis - 3 members
 Big Al's Mobile Wash, Inc. - Indianapolis - 4 members

The request was approved by the Director under delegated authority on October 15, 1992.

- 2.) Teachers Credit Union, South Bend, St. Joseph County requested approval of a Petition for Approval of a Proposed Amendment to the Articles of Incorporation. This amendment would place the following organizations into the field of membership of the credit union:

Mr. B's Amoco - Greencastle - 9 members
 Branagin Oil Co. - Greencastle - 7 members
 United Technologies Electronic Controls - Huntington - 610 members
 Sweetspot Racquet Shop - Mishawaka - 3 members
 Mark R. Green, DDS - South Bend - 4 members
 Lobdell-Emery Co. - Greencastle - 280 members
 Yew Chung International Children's Campus - South Bend - 2 members
 Youth for Christ/NW Indiana - Valparaiso - 12 members
 Countryside Place - Knox - 69 members
 Chazz LTD Salon - Indianapolis - 9 members
 Montpelier Services of Indiana, Inc. - Mishawaka - 6 members
 Eaton Corporation - South Bend - 60 members

The request was approved by the Director under delegated authority on October 26, 1992.

CONSUMER CREDIT DIVISION

- 1.) Heights Finance Corporation requested a Lenders License to be located in Muncie, Indiana. The applicant will be making personal unsecured loans as well as loans secured by real estate. Heights Finance Corporation was previously licensed by the Department and sold their receivables to USA Financial Services. The License was approved by the Director under delegated authority on October 21, 1992.
- 2.) Michigan National Bank, requested a Lenders License to be located in Crown Point, Indiana. The License was approved by the Director under delegated authority on November 5, 1992.

- 3.) Access Mortgage & Financial Services, Inc. requested a Lenders License to be located in Cincinnati, Ohio. The applicant has qualified to do business in Indiana. The License was approved by the Director under delegated authority on November 5, 1992.
- 4.) Eagle Capital Mortgage, LTD requested a Lenders License to be located in Dallas, Texas. The applicant has qualified to do business in Indiana. The License was approved by the Director under delegated authority on November 5, 1992.

APPROVED:

ATTEST:

W. Paul Wolf, Vice Chairman

John P. Goddard, Secretary